

BUDGET OVERVIEW

The following information provides an overall summary of Iowa's General Fund budget in an effort to assist the General Assembly in their decision-making process on the FY 2009 budget. The overview includes a discussion of the year-end FY 2007 budget; the status of the FY 2008 budget currently in progress, and the budget outlook for FY 2009. Also included is a brief look at historical trends in General Fund revenue collections and appropriations, and a summary of the department requests for FY 2009.

FY 2007

Iowa's General Fund revenue collections totaled \$5.646 billion for FY 2007, representing an increase of \$263.9 million (4.9%) compared to FY 2006. Net General Fund appropriations (after reversions) totaled \$5.385 billion for FY 2007, an increase of \$364.2 million (7.3%) compared to FY 2006. This resulted in an FY 2007 surplus of \$261.6 million surplus that was distributed as follows: \$131.9 million to the Property Tax Credit Fund, \$53.5 million to the Senior Living Trust Fund, and \$76.2 million to the Cash Reserve Fund.

The combined balances in the Cash Reserve and Economic Emergency Funds reached the statutory maximum at \$535.1 million. This was an increase of \$143.3 million compared to the combined balances in FY 2006.

FY 2008

The General Fund is currently projected to have a surplus of \$87.9 million for FY 2008. The current revenue estimate for FY 2008 as set by the Revenue Estimating Conference (REC) in October 2007, is \$5.935 billion. This represents a \$288.5 million (5.1%) increase over FY 2007. The appropriations (after reversions) are estimated at \$5.847 billion, an increase of \$462.2 million (8.6%) over FY 2007. By statute, one half of the surplus (approximately \$44.0 million) will be deposited in the Senior Living Trust Fund (SLTF) and half in the Cash Reserve Fund.

The combined balances in the Cash Reserve and Economic Emergency Funds will again reach the statutory maximum at \$592.4 million in FY 2008. This is an increase of \$57.3 million (10.7%) compared to the combined balances in FY 2007.

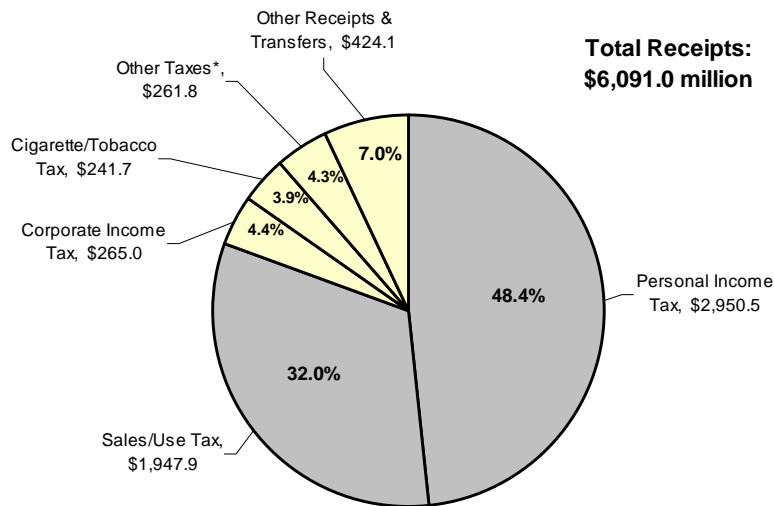
Cumulative repayments to the SLTF through the end of FY 2008 are estimated to total \$183.1 million. Statute requires the payments to continue until a total of \$300.0 million has been repaid to the SLTF.

FY 2009

FY 2009 Budget Outlook

Lawmakers are facing a "budget gap" of \$413.7 million in FY 2009, as projected revenue increases are not enough to offset the projected growth in appropriations. The Revenue Estimating Conference (REC) met in October and established the first revenue estimate for FY 2009 at \$6.091 billion. This represents an increase of \$156.2 million (2.6%) compared to the current estimate for FY 2008. The following chart shows the FY 2009 revenue estimate by category. Personal income tax and sales/use tax comprise approximately 80.0% of the total estimated receipts.

FY 2009 Estimated Gross General Fund Receipts



* Other taxes include: Inheritance, Insurance, Beer, and Franchise Tax.

Iowa law imposes an expenditure limitation of 99.0% on the adjusted revenue estimate. This results in an estimated expenditure limit of \$6.030 billion for FY 2009. The Governor and General Assembly are statutorily required to submit a budget that does not exceed the expenditure limitation. The Governor and General Assembly can change the expenditure limit by proposing changes to taxes and other revenues deposited in the General Fund. All revenues changes have a 95.0% expenditure limit applied to the estimated change.

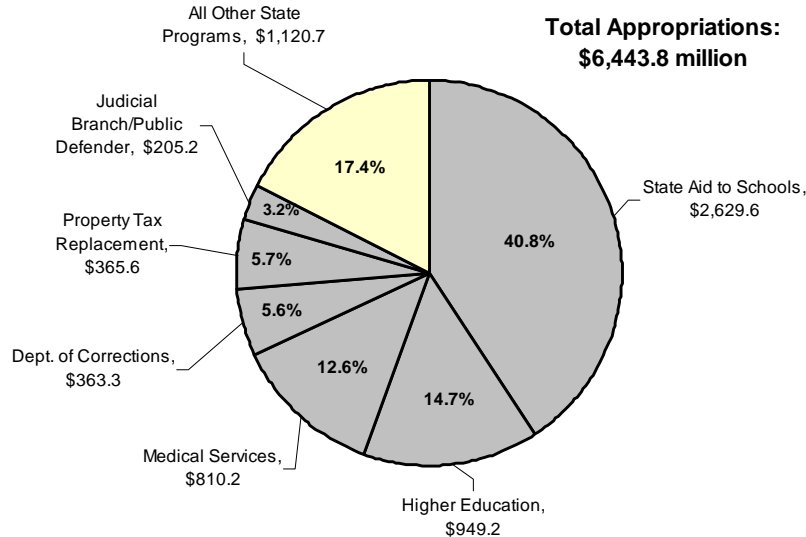
For budget planning purposes, the Fiscal Services Division (FSD) uses the FY 2008 appropriation level of \$5.859 billion as the baseline number for FY 2009. The FSD then estimates the incremental increases over the FY 2008 level to account for the automatic increases established in the Code of Iowa and the anticipated expenditure increases due to enacted policy changes. These incremental changes are referred to as built-in and anticipated expenditures. A detailed listing of the built-in and anticipated appropriation changes can be found in **Appendix B**. The current estimate for the FY 2009 built-in and anticipated expenditures is \$584.4 million. When added to the baseline appropriation of \$5.859 billion (before reversions), the estimated appropriations for FY 2009 total \$6.444 billion. This is \$413.7 million more than the estimated expenditure limitation (also referred to as the "spending gap").

The spending gap is not intended to be a prediction of an FY 2009 deficit; instead, it is intended to assist lawmakers in measuring the effects of proposed changes to spending and revenue. The REC will meet in December 2007 to review, and possibly revise, the FY 2009 revenue estimate. The FSD will re-examine the built-in and anticipated expenditures to incorporate changes to the estimates based on updated information. As a result, the projected spending gap may change prior to the start of the 2008 Legislative Session.

Based on the above estimates, the General Assembly will need to adjust spending and/or revenues in order to eliminate the \$413.7 million estimated spending gap for FY 2009. The following chart shows the projected General Fund appropriations by category. Approximately 68.1% of the budget funds K-12 schools, higher education, and medical services (Medicaid and hawk-i). Another 14.5% is used to fund

the Department of Corrections, the Judicial Branch/Public Defender, and property tax replacement. All other State agencies and programs make up the remaining 17.4% of the budget.

FY 2009 Projected General Fund Appropriations



Note: The FY 2009 appropriations are estimated by the LSA using the FY 2008 appropriations as the baseline and adding the incremental built-in and anticipated increases to the baseline.

Significant issues surrounding the FY 2009 appropriations process include:

- K-12 Education Spending – Education spending increases totaling \$187.2 million were enacted during the 2007 Legislative Session for FY 2009.
 - Allowable growth is set at 4.0% and is estimated to cost an additional \$89.3 million compared to FY 2008.
 - Senate File 277 (Student Achievement and Teacher Quality Act) provides an additional \$75.0 million for teacher salary-related funding.
 - House File 877 (Statewide Voluntary Preschool Program) increases funding for school districts through the State foundation aid formula for preschool programs by an estimated \$15.3 million for FY 2009.
 - House File 447 (School District Reorganization and Shared Incentives Act) increases funding in FY 2009 by an estimated \$7.6 million for school districts by providing an extension for whole grade sharing supplementary weighting and for school districts and area education agencies that participate in sharing of operational functions.
- Property Tax Credits – A total of \$159.9 million was appropriated from the Property Tax Credit Fund (PTCF) in FY 2008 to fund property tax credits. This included \$131.9 million from the FY 2007 General Fund surplus and a \$28.0 million General Fund appropriation from FY 2008. This represents approximately 82.0% of the cost to fully fund the tax credits in FY 2008. Current estimates indicate a lack of sufficient funds from the FY 2008 surplus to fund the PTCF in FY 2009 at the FY 2008 level. To fund the credits at the FY 2008 level of \$159.9 million, the General Assembly will need to find \$131.9 million in the FY 2009 budget.

Budget Overview

- Collective Bargaining – Funding the second year of the collective bargaining agreement will cost an estimated \$88.4 million in FY 2009.
- Medicaid – Estimated to increase \$45.0 million in FY 2009, a 7.3% increase over the FY 2008 General Fund appropriation.
- IowaCare Funding – Beginning in FY 2009, Iowa will be facing a reduction of \$22.1 million in federal funding that is used to support the IowaCare Program. These funds are used to fund health care – related programs at University of Iowa Hospitals and Clinics and Broadlawns Medical Center in Des Moines.
- Healthy Iowans Tobacco Trust Programs – The Healthy Iowans Tobacco Trust (HITT) Fund receives the bulk of its funding from the Endowment for Iowa's Health Account. Due to declining revenues in the Endowment for FY 2009, the HITT fund will be approximately \$16.5 million short of being able to fund the various HITT programs at the FY 2008 level.
- Governor's Directive – The Governor asked State agencies to submit status quo budgets for FY 2009 to help balance the FY 2009 budget. The directive did not apply to standing appropriations, elected officials, or the Legislative and Judicial Branches. In addition, some agencies did not abide by the directive and included increases in the FY 2009 requests.

General Fund Balance Sheet FY 2007 – FY 2009

The following tables show the General Fund balance sheet and the status of the funds that, by statute, receive a portion of the General Fund surplus.

STATE OF IOWA GENERAL FUND

(Dollars in Millions)

	Actual FY 2007	Estimated FY 2008	Estimated FY 2009
Funds Available:			
Receipts and Transfers (Oct. 2007 REC)	\$ 6,206.8	\$ 6,595.5	\$ 6,777.3
Tax Refunds	- 597.9	- 641.8	- 695.0
Accruals	37.4	- 18.9	8.7
Total Funds Available	<u>5,646.3</u>	<u>5,934.8</u>	<u>6,091.0</u>
Expenditure Limitation			6,030.1
Estimated Appropriations and Expenditures:			
Appropriations	5,392.9	5,859.4	5,859.4
Estimated Built-in Increases			584.4
Total Appropriations	<u>5,392.9</u>	<u>5,859.4</u>	<u>6,443.8</u>
Adjustment to meet Expenditure Limitation (<i>Spending Gap</i>)			- 413.7
Total Appropriations	<u>5,392.9</u>	<u>5,859.4</u>	<u>6,030.1</u>
Reversions	- 8.2	- 12.5	- 12.5
Net Appropriations	<u>5,384.7</u>	<u>5,846.9</u>	<u>6,017.6</u>
Ending Balance - Surplus	<u>\$ 261.6</u>	<u>\$ 87.9</u>	<u>\$ 73.4</u>
Appropriations/Transfers to Other Funds			
Property Tax Credit Fund	\$ 131.9	\$ 0.0	\$ 0.0
Senior Living Trust Fund	53.5	44.0	36.7
Regents Allocation	0.0	0.0	0.0
Cash Reserve Fund	76.2	44.0	36.7
Total	<u>\$ 261.6</u>	<u>\$ 87.9</u>	<u>\$ 73.4</u>

Reserve Funds and Senior Living Trust Fund Repayment FY 2007 – FY 2009

The following table shows the current estimates for the State's reserve funds as well as the repayment amounts to the Senior Living Trust Fund (SLTF). The reserve funds are projected to reach their statutory maximum balance of \$609.1 million for FY 2009. This includes \$456.8 million in the Cash Reserve Fund and \$152.3 million in the Economic Emergency Fund. This assumes the reserve funds are not used to fund a portion of the budget gap in FY 2009. The Code of Iowa restricts the use of the reserve funds to non-recurring, emergency expenditures; however, by notwithstanding these Code provisions, the reserve funds have been used to help balance previous General Fund budgets.

Based on current estimates, the SLTF will receive \$44.0 million from the FY 2008 General Fund surplus and an additional \$27.3 million from excess revenue of the Economic Emergency Fund. The total amount that will have been repaid to date is estimated at \$254.4 million. The payments will continue until a total of \$300.0 million in repayments has been reached.

State of Iowa Reserve Funds

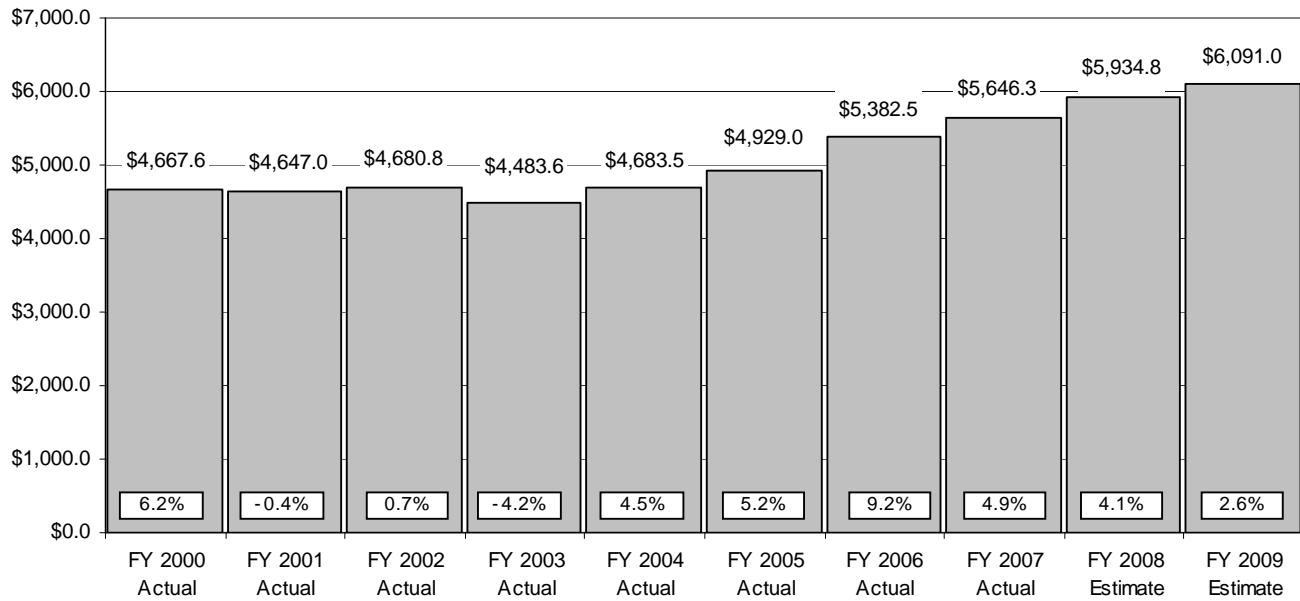
(Dollars in Millions)

	Actual FY 2007	Estimated FY 2008	Estimated FY 2009
Senior Living Trust Fund Requirement			
Balance Brought Forward	\$ 17.8	\$ 110.7	\$ 183.1
Revenues:			
Gen. Fund Appropriation from Surplus	49.9	53.5	44.0
Medicaid Surplus Transfer	12.0	0.0	0.0
Endowment for Iowa's Health Appropriation	25.0	0.0	0.0
Economic Emergency Fund Excess	6.0	18.9	27.3
Cumulative Repayment Balance	<u>\$ 110.7</u>	<u>\$ 183.1</u>	<u>\$ 254.4</u>
<i>Maximum \$300.0 million</i>			
Cash Reserve Fund (CRF)			
Balance Brought Forward	\$ 374.3	\$ 401.3	\$ 444.3
Revenues:			
Gen. Fund Appropriation from Surplus	149.3	76.2	44.0
Total Funds Available	523.6	477.5	488.3
Excess Transferred to EEF	- 122.3	- 33.2	- 31.5
Balance Carried Forward	<u>\$ 401.3</u>	<u>\$ 444.3</u>	<u>\$ 456.8</u>
<i>Maximum 7.5%</i>	<u>\$ 401.3</u>	<u>\$ 444.3</u>	<u>\$ 456.8</u>
Economic Emergency Fund (EEF)			
Balance Brought Forward	\$ 17.5	\$ 133.8	\$ 148.1
Estimated Revenues:			
Excess from Cash Reserve	122.3	33.2	31.5
Total Funds Available	139.8	167.0	179.6
Excess Transferred to SLTF	-6.0	-18.9	-27.3
Balance Carried Forward	<u>\$ 133.8</u>	<u>\$ 148.1</u>	<u>\$ 152.3</u>
<i>Maximum 2.5%</i>	<u>\$ 133.8</u>	<u>\$ 148.1</u>	<u>\$ 152.3</u>

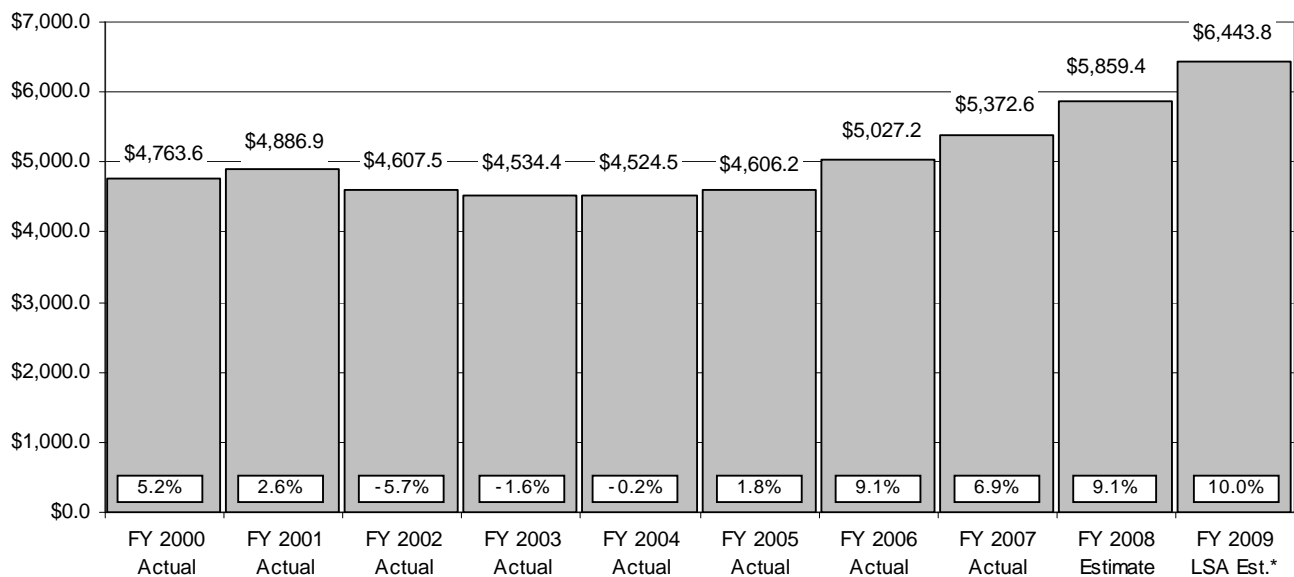
Budget Overview

Historical Trends – General Fund Revenues and Appropriations

State General Fund Receipts (in millions)



State General Fund Appropriations (in millions)



* Note: The FY 2009 appropriations are estimated by the LSA using the FY 2008 appropriations as the baseline and adding the incremental built-in and anticipated increases to the baseline.

Summary of FY 2009 Department Requests

Departments are requesting a total of \$6.233 billion from the General Fund for FY 2009. This represents an increase of \$373.3 million (6.4%) compared to estimated FY 2008. The Governor gave departments a directive to submit status quo budgets for FY 2009. The directive did not apply to standing appropriations, elected officials, or the Legislative and Judicial Branches of government. In addition, some agencies chose to ignore the directive and included increases in the FY 2009 budgets. The departments also may not have included funding for the built-in and anticipated increases (see **Appendix B**) in their requests. The following table provides a summary of the department requests for FY 2009 by appropriation subcommittee.

Subcommittee	Est. FY 2008	Dept. Req. FY 2009	FY 2009 vs. FY 2008	Percent Change
Administration & Regulation	\$ 110.2	\$ 94.9	\$ -15.3	-13.9%
Agriculture & Natural Resources	43.6	41.6	-2.0	-4.6%
Economic Development	42.6	72.1	29.5	69.2%
Education	1,182.8	1,335.7	152.9	12.9%
Health & Human Services	1,169.2	1,255.3	86.1	7.4%
Justice System	670.7	680.1	9.4	1.4%
Unassigned Standings	2,640.3	2,753.0	112.7	4.3%
TOTAL	<u>\$ 5,859.4</u>	<u>\$ 6,232.7</u>	<u>\$ 373.3</u>	<u>6.4%</u>

PROJECTED FY 2009 BUILT-IN AND ANTICIPATED GENERAL FUND EXPENDITURE INCREASES AND DECREASES

A built-in expenditure is a standing appropriation required by the Code of Iowa, an entitlement program, or a prior appropriation for a future fiscal year that increases or decreases compared to the appropriation level of the prior year. Built-in expenditures may be changed through the enactment of legislation. An anticipated expenditure represents a cost that a state agency will incur based on a prior obligation or action. Anticipated expenditures are not mandated by the Code of Iowa and require legislative action in order to have increases funded. The built-in and anticipated expenditures reflect the incremental increase over the prior year's appropriation levels.

For FY 2009, the Legislative Services Agency (LSA) is projecting \$584.4 million in built-in and anticipated increases and decreases. The FY 2009 projection includes \$446.0 million in General Fund built-in changes and \$138.4 million in anticipated increases and decreases.

(Dollars in Millions)

<u>Incremental Built-in Changes</u>	<u>LSA Estimates</u>
1. Revenue - Homestead Tax Credit	\$ 121.6
2. Education - K-12 School Foundation Aid	89.3
3. Education - Teacher Quality/Student Achievement Program	75.0
4. Human Services - Medical Assistance	39.0
5. Revenue - Agricultural Land Tax Credit	33.0
6. Office of Energy Independence - Iowa Power Fund	25.0
7. Revenue - Elderly and Disabled Credit	19.1
8. Education - Preschool Foundation Aid	15.3
9. Human Services - Mental Health Growth Factor	8.1
10. Education - Shared Weighting	7.6
11. Management - State Appeal Board Claims	4.4
12. College Aid - College Student Aid Work Study Program	2.5
13. Revenue - Military Service Tax Credit	2.3
14. Public Health - Substance Abuse	2.0
15. Education - Educational Excellence	1.4
16. Education - Instructional Support	0.4
Subtotal	\$ 446.0

Projected FY 2009 Built-In and Anticipated General Fund Expenditures

(Dollars in Millions)

	LSA Estimates
<u>Incremental Anticipated Expenditure Changes</u>	
17. Collective Bargaining Salary Costs	\$ 88.4
18. Healthy Iowans Tobacco Trust Fund Programs	16.5
19. Human Services - IowaCare Loss	6.2
20. Human Services - Child Support Recovery Unit	5.3
21. Corrections - Increased Operating Costs	4.5
22. Economic Development - Targeted Small Business Programs	4.0
23. Corrections - Community-Based-Corrections	3.6
24. Education - Skills Iowa Technology Grant Program	3.0
25. Judicial Branch - Retirement Fund Contribution	2.5
26. Administrative Services - DAS Distribution Account	2.0
27. Corrections - Sex Offender Supervision and Treatment	1.9
28. Human Services - Field Operations	1.5
29. Inspections and Appeals - Indigent Defense and Public Defender	1.3
30. Board of Regents - ISU Veterinary Laboratory	1.0
31. Public Health - Brain Injury Waiver	1.0
32. Public Health - Addictive Disorders and Tobacco Cessation	0.7
33. Human Services - Mental Health Risk Pool	0.5
34. Human Services - Civil Commitment Unit for Sex Offender	0.2
35. Human Services - Child and Family Services	0.2
36. Public Health - Sexual Violence Prevention Programming	0.2
37. Veterans Affairs - Cemetery Staff and Costs	0.2
38. Veterans Affairs - Staff	0.1
39. Public Safety - Fort Madison Gaming Facility	-0.3
40. Veterans Affairs - Veterans Home Net Budgeting	-1.0
41. Governor's Office of Drug Control Policy - Drug Task Forces	-1.4
42. Human Services - State Resource Centers	-3.7
Subtotal	\$ 138.4
TOTAL PROJECTED EXPENDITURE CHANGES	\$ 584.4

FY 2009 ESTIMATED GENERAL FUND EXPENDITURES

Built-In Increases and Decreases

(Dollars in Millions)

Programs/Appropriation (1)	Description of Programs (2)	Factors (3)	FY 09 vs. FY 08 (4)	Options for Reductions (5)	Savings (6)
1. Revenue – Homestead Tax Credit	Provides a property tax credit for residential homeowners.	<ul style="list-style-type: none"> The Homestead Tax Credit was funded from the PTCF at \$99.3 million in FY 2008. Of the \$28.0 million General Fund appropriation to the PTCF, \$17.4 million was allocated for the Homestead Tax Credit. 	\$ 121.6	<ul style="list-style-type: none"> Maintain the FY 2008 funding level. 	\$ 39.7
<i>Standing Unlimited Appropriation</i>	NOTE: The Property Tax Credit Fund (PTCF) received appropriations totaling \$159.9 million to fund four tax credits. This includes \$131.9 million from the FY 2007 General Fund surplus and a \$28.0 million General Fund appropriation from FY 2008 revenues.	<ul style="list-style-type: none"> Fully funding the Credit in FY 2009 is estimated at \$139.0 million. The incremental increase to the General Fund is \$121.6 million. Assumes the Credit will be funded entirely from the General Fund in FY 2009 as required by the <u>Code of Iowa</u>. The estimate is based on projected demand by the Department of Revenue. 		<ul style="list-style-type: none"> Eliminate the tax credit. 	\$ 139.0

Projected FY 2009 Built-In and Anticipated General Fund Expenditures

Built-In Increases and Decreases

(Dollars in Millions)

Programs/Appropriation (1)	Description of Programs (2)	Factors (3)	FY 09 vs. FY 08 (4)	Options for Reductions (5)	Savings (6)
2. Education – K-12 School Foundation Aid <i>Standing Unlimited Appropriation</i>	<p>The School Foundation Program establishes limits and controls on local school district spending authority. By formula, the Program determines the amount of State Aid and local property tax used in funding the majority of school district budgets.</p> <p>NOTE: Enrollment data for FY 2009 is not currently available. Estimates displayed here will be revised based on that information. The updated enrollment and weighting information will be available in December.</p>	<p>Assumes the following:</p> <ul style="list-style-type: none"> • 4.0% allowable growth rate. • Increase in taxable valuations of 5.5%. • Special education weightings increase of 2.0%. • Supplemental weighting for shared pupil/teacher increase of 10.0%. • English as a Second Language weighting increase of 10.0%. • At-risk student weighting increase of 1.0%. • Restores the statutory reduction of \$7.5 million to the Area Education Agencies. • Includes \$6.0 million increase for Adjusted Additional Property Tax Levy Aid. 	\$ 89.3	<ul style="list-style-type: none"> • Reduce the allowable growth rate to 3.0%. • Increase the Uniform Property Tax Levy from \$5.40 to \$5.90. This option will increase local property tax by the amount of the reduction to State aid. • Reduce the Regular Program, Special Education Regular Program, and AEA Special Education Foundation Levels by one percentage point. This will reduce State Aid and increase local property tax. • Reduce the FY 2008 State Cost per Pupil and District Cost per Pupil by \$100. • Notwithstanding the Adjusted Additional Property Tax Levy Aid for FY 2009. This will increase property taxes in 65 school districts. 	<p>\$ 26.9</p> <p>\$ 57.0</p> <p>\$ 32.5</p> <p>\$ 51.0</p> <p>\$ 18.0</p>

Built-In Increases and Decreases

(Dollars in Millions)

Programs/Appropriation (1)	Description of Programs (2)	Factors (3)	FY 09 vs. FY 08 (4)	Options for Reductions (5)	Savings (6)
3. Education – Teacher Quality/Student Achievement Program <i>Standing Limited Appropriation</i>	<p>Provides funding to school districts to enhance teacher salaries, provide beginning teacher mentoring, enhance salaries for hard-to-staff teaching assignments, provide professional development, and explore pay-for-performance incentives. Specifies minimum salaries for beginning career teachers.</p> <p>Provides funding to the Department of Education for the Career Development Program, evaluator training, National Board Certification stipends, and administrative costs of the Program.</p>	<ul style="list-style-type: none"> Senate File 277 (Student Achievement and Teacher Quality Program Act) appropriates \$248.9 million for FY 2009, an increase of \$75.0 million compared to the FY 2008 level. 	\$ 75.0	<ul style="list-style-type: none"> Minimum increase to fund minimum salaries for teachers moving from one career level to another. 	\$ 70.9

Projected FY 2009 Built-In and Anticipated General Fund Expenditures

Built-In Increases and Decreases

(Dollars in Millions)

Programs/Appropriation (1)	Description of Programs (2)	Factors (3)	FY 09 vs. FY 08 (4)	Options for Reductions (5)	Savings (6)
4. Human Services – Medical Assistance <i>Appropriation</i>	Medical Assistance is a state/federal entitlement program that provides medical services to eligible low-income recipients. To qualify for federal funding, the State must reimburse providers for certain mandatory services. The State has the option to provide coverage of additional services and can elect to expand coverage to optional eligibility groups. Iowa is currently covering most of the optional services and optional eligibility groups that qualify for federal matching funds. The State also has the ability to set the rates it uses to reimburse service providers, within federal guidelines.	<ul style="list-style-type: none"> • Adds \$9.7 million for increased enrollment and fee for services due to utilization. • Adds \$3.4 million to fund the elderly waiver. • Adds \$1.3 million for enrollment growth in the Medicaid for Independent Young Adults (MIYA) Program. • Adds \$2.8 million to expand coverage for Medicaid eligible children. • Adds 10.0 million for increased payments to the federal government for Medicare coverage of dual eligibles. • A decrease of \$15.0 million for a Federal Medicaid Assistance Percentage (FMAP) increase. • Adds \$10.8 million to cover carryforward funds used in FY 2008. • Adds \$16.0 million due to the loss of federal matching funds that are deposited into IowaCare Account for use by the four mental health institutes. 	\$ 39.0	<ul style="list-style-type: none"> • Reduce or eliminate optional Medicaid coverage groups. The savings depends on the options eliminated. • Reduce or freeze current provider rates. The savings depends on the provider rates that are adjusted. • Eliminate optional services. The savings depends on the options eliminated. • Reduce anesthesiologists to 100.0% of Medicare rates. • Move behavioral drugs to the preferred drug lists. • Recalculate the State Maximum Allowable Cost (SMAC) payment to pharmacies. 	

Projected FY 2009 Built-In and Anticipated General Fund Expenditures

Built-In Increases and Decreases

(Dollars in Millions)

Programs/Appropriation (1)	Description of Programs (2)	Factors (3)	FY 09 vs. FY 08 (4)	Options for Reductions (5)	Savings (6)
5. Revenue – Agricultural Land Tax Credit <i>Standing Limited Appropriation</i>	Provides a property tax credit to individuals for qualified lands used for agricultural purposes. Includes the Family Farm Tax Credit. NOTE: The Property Tax Credit Fund (PTCF) received appropriations totaling \$159.9 million to fund four tax credits. This includes \$131.9 million from the FY 2007 General Fund surplus and a \$28.0 million General Fund appropriation from FY 2008 revenues.	<ul style="list-style-type: none"> The Agricultural Land Tax Credit was funded from the Property Tax Credit Fund in FY 2008. Of the \$28.0 million General Fund appropriation to the PTCF, \$6.1 million was allocated for the Agricultural Land Tax Credit. Fully funding the Credit for FY 2009 is estimated at \$39.1 million. The incremental increase to the General Fund is \$33.0 million. Assumes the Credit will be funded entirely from the General Fund in FY 2009 as required by the <u>Code of Iowa</u>. 	\$ 33.0	<ul style="list-style-type: none"> Maintain the FY 2008 funding level. Fund only the Family Farm Tax Credit. Eliminate the tax credit. 	\$ 4.4 \$ 29.1 \$ 39.1
6. Office of Energy Independence – Iowa Power Fund <i>Standing Limited Appropriation</i>	House File 927 (Iowa Power Fund Appropriations Act) established the Iowa Power Fund to provide grants and loans for energy-related development. The Program was funded with a \$24.7 million FY 2007 supplemental appropriation to be used for FY 2008 costs.	<ul style="list-style-type: none"> House File 927 appropriates \$25.0 million per year beginning in FY 2009 through FY 2011. 	\$ 25.0	<ul style="list-style-type: none"> Eliminate the appropriation. 	\$ 25.0

Projected FY 2009 Built-In and Anticipated General Fund Expenditures

Built-In Increases and Decreases

(Dollars in Millions)

Programs/Appropriation (1)	Description of Programs (2)	Factors (3)	FY 09 vs. FY 08 (4)	Options for Reductions (5)	Savings (6)
7. Revenue – Elderly and Disabled Tax Credit	Provides a property tax credit for low-income elderly or disabled taxpayers.	<ul style="list-style-type: none"> This appropriation was funded from the Property Tax Credit Fund in FY 2008. Of the \$28.0 million General Fund appropriation to the PTCF, \$4.1 million was allocated for the Elderly and Disabled Tax Credit. 	\$ 19.1	<ul style="list-style-type: none"> Maintain the FY 2008 funding level. 	\$ 3.2
<i>Standing Unlimited Appropriation</i>	NOTE: The Property Tax Credit Fund (PTCF) received appropriations totaling \$159.9 million to fund four tax credits. This includes \$131.9 million from the FY 2007 General Fund surplus and a \$28.0 million General Fund appropriation from FY 2008 revenues.	<ul style="list-style-type: none"> Fully funding the Credit in FY 2009 is estimated at \$23.2 million. The incremental increase to the General Fund is \$19.1 million. Assumes the Credit will be funded from the General Fund in FY 2009 as required by the <u>Code of Iowa</u>. The estimate is based on historical claims. 		<ul style="list-style-type: none"> Eliminate the tax credit. 	\$ 23.2
8. Education – Preschool Foundation Aid	Preschool funding for previously approved programs. Programs approved by the Department of Education are funded through a \$15.0 million appropriation in the base year (FY 2008). After the base year, the program is funded based on preschool budget enrollments weighted at 0.6 and multiplied by the K-12 school finance formula State Cost per Pupil.	<ul style="list-style-type: none"> Assumes that approximately 4,600 students are approved during FY 2008 (initial year). An additional 100 students above this estimate will generate an additional \$330,000 in State aid. 	\$ 15.3	<ul style="list-style-type: none"> Restrict funding to \$15.0 million. 	\$ 0.3
<i>Standing Unlimited Appropriation</i>					

Built-In Increases and Decreases

(Dollars in Millions)

Programs/Appropriation (1)	Description of Programs (2)	Factors (3)	FY 09 vs. FY 08 (4)	Options for Reductions (5)	Savings (6)
9. Human Services – Mental Health Growth Factor <i>Appropriation</i>	The Mental Health Growth Factor provides an increase for inflation applied to the sum of the county base expenditures for Mental Health/Mental Retardation/Developmental Disabilities Services funds and the previous allowed growth appropriation.	<ul style="list-style-type: none"> The FY 2009 Growth Factor was established in SF 601 (FY 2008 Standing Appropriations Act). This is an increase of \$8.1 million compared to the estimated FY 2008 appropriation. Assumes continuation of the appropriation from the Health Care Trust Fund for FY 2009 at the FY 2008 level. 	\$ 8.1	<ul style="list-style-type: none"> Eliminate the FY 2009 increase enacted in SF 601. 	\$ 8.1
10. Education – Shared Weighting <i>Standing Unlimited Appropriation</i>	Provides additional supplementary weighting for operational sharing, ICN classes, and school district reorganizations generated through the school finance formula.	<ul style="list-style-type: none"> Assumes \$800,000 for reorganization incentives, \$6.7 million for operational sharing incentives, and \$130,000 for ICN sharing incentives. 	\$ 7.6	<ul style="list-style-type: none"> No options identified 	
11. Management – State Appeal Board Claims <i>Standing Unlimited Appropriation</i>	<p>The Board is composed of the State Auditor, State Treasurer, and the Director of the Department of Management. (Section 73A.1, <u>Code of Iowa</u>)</p> <p>The Board authorizes claims under:</p> <ul style="list-style-type: none"> Chapter 25, <u>Code of Iowa</u>, for the payment of bills, fees, refunds, and credits. Chapter 669, <u>Code of Iowa</u>, State Tort Claims. <p>Payment is made from the appropriation or fund of original certification of the claim, unless the appropriation or fund has reverted. Then the payment is from unobligated State funds.</p>	<ul style="list-style-type: none"> The increase is based on historical claims paid through the Appeal Board. The average annual payment for Appeal Board claims from FY 2001 through FY 2007 was \$8.8 million (adjusted for large one-time payouts in FY 2004). For FY 2008, \$4.4 million is budgeted for claims. This is less than the level of historical claims. The FY 2009 claims are estimated to be \$8.8 million. 	\$ 4.4	<ul style="list-style-type: none"> The <u>Code of Iowa</u> allows the General Assembly to refuse claims. Refusal constitutes adjudication against the claim, and bars any further proceedings before the General Assembly for payment of the claim. 	

Projected FY 2009 Built-In and Anticipated General Fund Expenditures

Built-In Increases and Decreases

(Dollars in Millions)

Programs/Appropriation (1)	Description of Programs (2)	Factors (3)	FY 09 vs. FY 08 (4)	Options for Reductions (5)	Savings (6)
12. College Aid – College Student Aid Work Study Program <i>Standing Limited Appropriation</i>	This is a standing limited appropriation set at \$2.8 million in Section 261.85, <u>Code of Iowa</u> . This State funding is provided to colleges and universities to supplement federal work-study funds of approximately \$13.0 million annually. The State funding does not serve as a match for the federal funds.	<ul style="list-style-type: none"> This Program received a General Fund appropriation of \$295,600 for FY 2008. The estimate returns the appropriation to the statutory level of \$2.8 million. 	\$ 2.5	<ul style="list-style-type: none"> Eliminate funding for the Program for FY 2009. 	\$ 2.8
13. Revenue – Military Service Tax Credit <i>Standing Unlimited Appropriation</i>	<p>Provides a property tax credit to replace all or a portion of the tax on property eligible for a Military Service Tax Exemption. Section 426.1A, <u>Code of Iowa</u>, appropriates an amount necessary to fund the credits.</p> <p>NOTE: The Property Tax Credit Fund (PTCF) received appropriations totaling \$159.9 million to fund four tax credits. This includes \$131.9 million from the FY 2007 General Fund surplus and a \$28.0 million General Fund appropriation from FY 2008 revenues.</p>	<ul style="list-style-type: none"> The Military Service Tax Credit was funded from the Property Tax Credit Fund in FY 2008. Of the \$28.0 million General Fund appropriation to the PTCF, \$0.5 million was allocated for the Military Service Tax Credit. Fully funding the tax credit in FY 2009 is estimated at \$2.8 million. The incremental increase to the General Fund is \$2.3 million. Assumes the Credit will be funded from the General Fund in FY 2009 as required by the <u>Code of Iowa</u>. The estimate is based on projected demand by the Department of Revenue. 	\$ 2.3	<ul style="list-style-type: none"> Eliminate the tax credit. 	\$ 2.8

Projected FY 2009 Built-In and Anticipated General Fund Expenditures

Built-In Increases and Decreases

(Dollars in Millions)

Programs/Appropriation (1)	Description of Programs (2)	Factors (3)	FY 09 vs. FY 08 (4)	Options for Reductions (5)	Savings (6)
14. Public Health – Substance Abuse <i>Standing Limited Appropriation</i>	Section 123.53(3), <u>Code of Iowa</u> , appropriates \$2.0 million from liquor sales revenue to the Department of Public Health for the Substance Abuse Prevention and Treatment Program.	<ul style="list-style-type: none"> House File 909 (FY 2008 Health and Human Services Appropriations Act) stated that the appropriations for Addictive Disorders contained in the Act from the General Fund and the Health Care Trust Fund covered the statutory requirement of a \$2.0 million appropriation for substance abuse treatment from the General Fund. Under current law, the \$2.0 million will be appropriated from the General Fund in FY 2009. 	\$ 2.0	<ul style="list-style-type: none"> Eliminate or notwithstanding the FY 2009 standing appropriation. 	\$ 2.0
15. Educational Excellence <i>Standing Limited Appropriation</i>	Provides allocations to local school districts to enhance teacher salaries. Section 294A.25, <u>Code of Iowa</u> , appropriates \$56.9 million for the Program.	<ul style="list-style-type: none"> The standing appropriation was reduced to \$55.5 million in FY 2008. The appropriation will return to \$56.9 million in FY 2009 unless legislative action is taken to change the amount. 	\$ 1.4	<ul style="list-style-type: none"> Maintain the FY 2008 funding level. 	\$ 1.4
16. Instructional Support <i>Appropriation</i>	Provides additional funding of up to 10.0% of the regular program district cost to be used for general operations. Funding comes from property taxes or a combination of property taxes and income surtax, and from State aid. The State aid has been capped at \$14.8 million. Sections 257.18-20, & 24-27, <u>Code of Iowa</u> , define the Program and its funding.	<ul style="list-style-type: none"> Assumes the appropriation will return to the statutory level. 	\$ 0.4	<ul style="list-style-type: none"> Require the Program to be entirely locally funded. Maintain the FY 2008 funding level. 	\$ 14.8 \$ 0.4

Projected FY 2009 Built-In and Anticipated General Fund Expenditures

FY 2009 ESTIMATED GENERAL FUND EXPENDITURES

Anticipated Increases and Decreases

(Dollars in Millions)

Programs/Appropriation (1)	Description of Programs (2)	Factors (3)	FY 09 vs. FY 08 (4)	Options for Reductions (5)	Savings (6)
17. Collective Bargaining Salary Packages <i>Appropriation</i>	<p>Estimated salary increases for negotiated collective bargaining costs. Salary increases are subject to collective bargaining.</p> <p>The State is currently in the process of negotiations with unions representing State employees for salaries and benefits for FY 2010 and FY 2011.</p>	<ul style="list-style-type: none"> This estimated General Fund incremental increase, without any FY 2009 changes, is \$6.3 million. The estimate is based on an increase of \$82.1 million for step increases, benefit enhancements, and a 3.0% FY 2009 across-the-board increase. Includes \$40.0 million for the Board of Regents. 	\$ 88.4	• No options identified.	
18. Healthy Iowans Tobacco Trust Funds Programs (HITT) <i>Appropriation</i>	<p>The HITT Fund was established in FY 2002 and received an appropriation of \$55.0 million from the Endowment for Iowa's Health Account. Section 12E.12, <u>Code of Iowa</u>, requires this appropriation to be increased 1.5% annually. In FY 2008, the appropriation was \$60.1 million. The HITT Fund is used to fund health-related programs.</p>	<ul style="list-style-type: none"> In FY 2008, a total of \$70.1 million was appropriated from the HITT Fund. Assumes the General Assembly will fund all HITT programs in FY 2009 at the FY 2008 level. Due to declining revenues in the Endowment for Iowa's Health Account, the HITT Fund will have a \$16.5 million funding shortfall in FY 2009. 	\$ 16.5	• Eliminate or reduce funding for programs traditionally funded from the HITT Fund.	\$ 16.5

Anticipated Increases and Decreases

(Dollars in Millions)

Programs/Appropriation (1)	Description of Programs (2)	Factors (3)	FY 09 vs. FY 08 (4)	Options for Reductions (5)	Savings (6)
19. Human Services - IowaCare <i>Appropriation</i>	IowaCare is limited health care. This program provides some inpatient and outpatient services, doctor, and advanced registered nurse practitioner services, dental services, limited prescription drug benefits, and transportation at the University of Iowa Hospitals and Clinics and Broadlawns Medical Center in Des Moines.	<ul style="list-style-type: none"> An increased of \$6.2 million is estimated due to increased utilization of the IowaCare Program at the University of Iowa Hospitals and Clinics. See the Medicaid built-in for other cost increases associated with the IowaCare Program. 	\$ 6.2	• No options identified.	
20. Human Services – Child Support Recovery Unit <i>Appropriation</i>	The Child Support Recovery Unit establishes the legal obligation of both parents to provide for their children and enforces the obligation established by the court.	<ul style="list-style-type: none"> This is a loss of funding due to the Federal Deficit Reduction Act of 2005 that prohibits the State from receiving a federal match based on performance incentives. 	\$ 5.3	• No options identified.	
21. Corrections – Increased Operating Costs <i>Appropriation</i>	Costs associated with operating the State prison and Community-Based Corrections (CBC) system.	<ul style="list-style-type: none"> Increased costs for supervising more offenders, and rate increases. 	\$ 4.5	• Maintain funding at the FY 2008 level.	
22. Economic Development – Targeted Small Business Programs <i>Appropriation</i>	House File 890 (Targeted Small Business Supplemental Appropriations Act) provided supplemental appropriations totaling \$4.0 million to be used in FY 2008 for newly established Targeted Small Business programs and initiatives.	<ul style="list-style-type: none"> The programs were funded in FY 2008 with FY 2007 supplemental appropriations totaling \$4.0 million that were allowed to carry forward. Assumes continuation of the Program in FY 2009. 	\$ 4.0	• Eliminate the assistance to TSBs, including the \$2.5 million TSB Financial Assistance Program.	\$ 4.0
23. Corrections – Community-Based-Corrections <i>Appropriation</i>	Community-Based-Correction facilities are under construction in Fort Dodge and Cedar Rapids. Annual operating costs will increase when the facilities open.	<ul style="list-style-type: none"> Assumes the construction will be completed timely. 	\$ 3.6	• Maintain funding at the FY 2008 level.	\$ 3.6

Projected FY 2009 Built-In and Anticipated General Fund Expenditures

Anticipated Increases and Decreases

(Dollars in Millions)

Programs/Appropriation (1)	Description of Programs (2)	Factors (3)	FY 09 vs. FY 08 (4)	Options for Reductions (5)	Savings (6)
24. Education – Skills Iowa Technology Grant Program <i>Appropriation</i>	The Skills Iowa Technology Program (previously called the Follow-the-Leader Technology Grant Program) provides assessment and remediation tools to classrooms, to enhance teachers' ability to easily assess the skill levels of individual students and prescribe individualized instruction plans based on those assessments, and provides for professional development for teachers.	<ul style="list-style-type: none"> • Prior to FY 2008, this Program was federally funded. The Program was funded in FY 2008 with a FY 2007 supplemental appropriation that was allowed to carry forward. • Assumes continuation of the Program in FY 2009. 	\$ 3.0	• No options identified.	
25. Judicial Branch – Retirement Fund Contribution <i>Appropriation</i>	The Judicial Retirement System provides retirement benefits to judges. Pursuant to Section 602.9104(4), <u>Code of Iowa</u> , the employer's contribution rate is 23.7% of all covered judges' salaries.	<ul style="list-style-type: none"> • Senate File 563 (FY 2007 Judicial Branch Appropriations Act) reduced the employer's contribution rate to 22.5% for one year. • The judge's contribution rate is set by statute and was changed during the 2006 Legislative Session, from 5.0% of covered pay to 6.0%, but reduced to 5.7% because the rate is tied to the amount appropriated for the State share in FY 2007. • This estimate assumes restoration of the statutory contribution rate of 23.7% and only considers the General Fund share. 	\$ 2.5	• According to the October 2007 actuarial report, the Judicial Retirement Fund is 70.0% funded and the combined annual required contribution rate is 30.9%. The contribution rate could be modified so that judges pay more of the unfunded liability. The savings depends on the selected contribution rate.	

Projected FY 2009 Built-In and Anticipated General Fund Expenditures

Anticipated Increases and Decreases

(Dollars in Millions)

Programs/Appropriation (1)	Description of Programs (2)	Factors (3)	FY 09 vs. FY 08 (4)	Options for Reductions (5)	Savings (6)
26. Administrative Services – DAS Distribution Account <i>Appropriation</i>	The Department of Administrative Services (DAS) assesses a fee to State agencies to pay the cost of operating the Integrated Information for Iowa (I/3) System. The fees are typically paid from the agencies' General Fund budgets. Enhancements to the I/3 System are funded with an appropriation to the DAS Distribution Account. The funds appropriated from the DAS Distribution Account are then distributed by formula to the State agencies to build the costs into their base budgets.	<ul style="list-style-type: none"> The Department received a \$2.0 million appropriation from the Rebuild Iowa Infrastructure Funds (RIIF) for FY 2008 to fund increased operational costs of the I/3 System. Because the appropriation was from RIIF, the funds could not be allocated to the agencies' General Fund budgets. If a \$2.0 million appropriation is not provided for the DAS Distribution Account in FY 2009, State agencies will be billed for the additional costs. These costs are not included in their FY 2009 budgets. 	\$ 2.0	<ul style="list-style-type: none"> Eliminate the appropriation and require State agencies to fund the increased costs from existing budgets. 	\$ 2.0
27. Corrections – Sex Offender Treatment and Supervision <i>Appropriation</i>	The Department of Corrections provides treatment and supervision of sex offenders.	<ul style="list-style-type: none"> The estimate is to cover increased cost of supervising sex offenders over an extended period. 	\$ 1.9	<ul style="list-style-type: none"> Amend HF 619 to modify certain supervision and treatment requirements. 	\$ 1.9
28. Human Services – Field Operations <i>Appropriation</i>	Provides the staff in 99 counties for operations of the DHS programs and services.	<ul style="list-style-type: none"> For FY 2008, the Department was authorized to use \$1.5 million of FY 2007 carryforward funds for FY 2008. Assumes the carryforward funds will not be available at the end of FY 2008 for use in FY 2009. 	\$ 1.5	<ul style="list-style-type: none"> No options identified. 	

Projected FY 2009 Built-In and Anticipated General Fund Expenditures

Anticipated Increases and Decreases

(Dollars in Millions)

Programs/Appropriation (1)	Description of Programs (2)	Factors (3)	FY 09 vs. FY 08 (4)	Options for Reductions (5)	Savings (6)
29. Inspections and Appeals – Indigent Defense and State Public Defender <i>Appropriation</i>	The Indigent Defense Fund and State Public Defender's Office provide legal counsel to indigent adult and juvenile clients to insure their constitutional right to effective legal counsel.	<ul style="list-style-type: none"> The FY 2008 estimate is based on FY 2006 actual expenditures. 	\$ 1.3	<ul style="list-style-type: none"> The General Assembly could reduce the hourly rates for private attorneys. The General Assembly could reduce fee limitations for private attorneys by the type of case. These limitations are currently set by administrative rule. 	Unknown
30. Board of Regents – ISU Veterinary Laboratory <i>Appropriation</i>	Senate File 551 (FY 2008 Agriculture and Natural Resources Appropriations Act) appropriated \$2.0 million for the operation of the Veterinary Diagnostic Laboratory at Iowa State University. Intent language in SF 551 states that the General Assembly will increase funding for the Lab by \$1.0 million in FY 2009 and FY 2010.	<ul style="list-style-type: none"> Assumes the General Assembly will increase the appropriation from \$2.0 million to \$3.0 million in FY 2009. 	\$ 1.0	<ul style="list-style-type: none"> Maintain funding at the FY 2008 level. 	\$ 1.0
31. Public Health – Brain Injury Waiver <i>Appropriation</i>	Provides the non-federal share for the cost of the Medicaid Brain Injury Waiver. The FY 2007 and FY 2008 funds were allocated to the Brain Injury Program from the Mental Health Allowed Growth appropriation.	<ul style="list-style-type: none"> The DPH had up to an estimated \$2.0 million in carryforward funds from FY 2007 that are expected to buy down the waiting list for the Brain Injury Waiver in FY 2008. The funds will have to be replaced in FY 2009 to continue services to these individuals. 	\$ 1.0	<ul style="list-style-type: none"> Utilize a portion of the FY 2009 Mental Health Allowed Growth appropriation to replace funds for those served on the Brain Injury Waiver. 	\$ 1.0
32. Public Health – Addictive Disorders and Smoking Cessation <i>Appropriation</i>	Provides tobacco prevention and cessation programs.	<ul style="list-style-type: none"> Assumes continuation of tobacco prevention and cessation efforts that were partially funded in FY 2008 with an FY 2007 supplemental appropriation that was allowed to carry forward. 	\$ 0.7	<ul style="list-style-type: none"> No options identified. 	

Anticipated Increases and Decreases

(Dollars in Millions)

Programs/Appropriation (1)	Description of Programs (2)	Factors (3)	FY 09 vs. FY 08 (4)	Options for Reductions (5)	Savings (6)
33. Human Services – Mental Health Risk Pool <i>Appropriation</i>	Provides an emergency funding source to counties that have depleted their State mental health funds.	<ul style="list-style-type: none"> Estimated cost to replacing one-time FY 2007 and FY 2008 funds from two budget units in DHS made available for the Mental Health Risk Pool that won't be available in FY 2009. 	\$ 0.5	<ul style="list-style-type: none"> No options identified. 	
34. Human Services – Civil Commitment Unit for Sex Offenders <i>Appropriation</i>	Provides the security and mental health treatment components of former inmates that are civilly committed to the Program prior to release from prison.	<ul style="list-style-type: none"> The growth in the number of clients within the Program require the utilization of additional space and staff within the facility. 	\$ 0.2	<ul style="list-style-type: none"> Eliminate of the Program. 	\$ 6.5
35. Human Services – Child and Family Services <i>Appropriation</i>	Provides funding for Juvenile Drug Court Programs.	<ul style="list-style-type: none"> For FY 2008, the Programs were partially funded with carryforward funds from FY 2007. 	\$ 0.2	<ul style="list-style-type: none"> No options identified. 	
36. Public Health – Sexual Violence Prevention Programming <i>Appropriation</i>	Provides sexual violence prevention and victims assistance programs	<ul style="list-style-type: none"> Assumes continuation of the programming that was funded in FY 2008 with the remaining balance from the Hospital Trust Fund (\$165,522). 	\$ 0.2	<ul style="list-style-type: none"> Eliminate the Program. 	\$ 0.2
37. Veterans Affairs – Cemetery Staff and Costs <i>Appropriation</i>	The federal government has provided funds for an Iowa Veterans Cemetery. The State is responsible for maintaining the Cemetery upon completion	<ul style="list-style-type: none"> The last year of the three-year staggered staffing costs will occur in FY 2009. 	\$ 0.2	<ul style="list-style-type: none"> The agreement with the federal government requires the State of Iowa to maintain the Cemetery. 	
38. Veterans Affairs – Staff <i>Appropriation</i>	Additional programs and services have been added by the General Assembly for the Department of Veterans Affairs.	<ul style="list-style-type: none"> Two additional staff was provided in FY 2008 from one-time funds from the County Grant Program. 	\$ 0.1	<ul style="list-style-type: none"> Elimination of the additional staff in FY 2009 	\$ 0.1

Projected FY 2009 Built-In and Anticipated General Fund Expenditures

Anticipated Increases and Decreases

(Dollars in Millions)

Programs/Appropriation (1)	Description of Programs (2)	Factors (3)	FY 09 vs. FY 08 (4)	Options for Reductions (5)	Savings (6)
39. Public Safety – Fort Madison Gaming Facility <i>Appropriation</i>	The Department of Public Safety receives a General Fund appropriation to fund DCI agents that provide the law enforcement presence at gaming establishments. The Racing and Gaming Commission charges the industry for these costs. The payments received from the gaming industry are deposited in the General Fund.	<ul style="list-style-type: none"> The riverboat casino located in Fort Madison is scheduled to close on November 15. The State will have billed the establishment approximately \$445,000 by the time the facility closes. 	\$ -0.3	• No options identified.	
40. Veterans Affairs – Veterans Home Net Budgeting <i>Appropriation</i>	Provides services and residence for certain veterans and veterans spouses.	<ul style="list-style-type: none"> Estimated savings for FY 2009 from State salary funds provided in FY 2008. The savings result from the Veterans Home being a net budgeted institution. 	\$ -1.0	• Eliminate the historical carryforward of funds to the construction account.	\$ 3.0
41. Governor's Office of Drug Control Policy – Drug Task Forces <i>Appropriation</i>	The Governor's Office of Drug Control Policy received federal funds to distribute to the State's Drug Task Forces.	<ul style="list-style-type: none"> The Office received a one-time General Fund appropriation of \$1.4 million in FY 2008 to replace a temporary shortfall in federal funds. The Office anticipates receiving federal funds in FY 2009 to replace the one-time State appropriation for the Drug Task Forces. 	\$ -1.4	• No options identified.	
42. Human Services – State Resource Centers <i>Appropriation</i>	Provides the living and services arrangements for those with disabilities residing at these two facilities.	<ul style="list-style-type: none"> Estimated savings for FY 2009 from State salary funds provided in FY 2008. The savings result from the two State Resource Centers being net budgeted institutions and increases for continuation of placements outside the Centers. 	\$ -3.7	• No options identified.	